SOFT DRINKS □ BEER □ BOTTLED WATER □ WINE □ POWDERS □ JUICES □ SPIRITS SEPTEMBER 1983

Beverage Industry

MARKETING □ DISTRIBUTION □ TECHNOLOGY

AN HBJ PUBLICATION

Special report: New trucks for '84, p. 48

50TH ANNIVERSARY OF THE REPEAL OF PROHIBITION 1933-1983

NBWA ... and all that

SEPTEMBER 25-29, 1983 NEW ORLEANS, LOUISIANA

Over 100 exhibitors await NBWA convention goers

NEW ORLEANS—More than 100 suppliers of products and services to the malt beverage wholesaling industry will display exhibits at NBWA's 46th annual convention.

Visitors to the association's convention, Sept. 25-28 at the Rivergate Exhibition Center, will have the opportunity to inspect the exhibits and listen to top brewery officials while celebrating the 50th anniversary of the repeal of Prohibition.

A variety of products, including computer systems, recycling machinery, refrigeration and draft beer dispensing equipment and apparel will be shown at this year's event.

Also, presentations by William K. Howell, Miller Brewing Co., president and William F. Smith Jr., Pabst Brewing Co. president, are scheduled.

Other speakers include

(Continued on page 27)

BI Report

• Although Coke was first to announce an aspartame contract, Diet Squirt was the first aspartame-sweetened product to appear in the market. SquirtPak introduced it in early August in its Holland, MI, the company's home market.

• The Coke contract included a discounted price and permission to use aspartame with saccharin. "We feel we have negotiated a contract which sets the pattern for the rest of the industry," a Coke spokesperson commented. He also said that new formulations would use a mixture that is less than 50% aspartame. The firm expects to begin receiving shipments shortly "... it

(Continued on page 75)

Will aspartame drinks have the same impact in the U.S.?

Canadian bottlers see diets at 30% of market

SPECIAL REPORT—Although many issues have to be resolved before the full impact of aspartame is felt in the U.S., in Canada—where it is the only low-calorie sweetener approved—the market acceptance has been nothing less than phenomenal.

As a matter of fact, soft drink marketers there credit the market acceptance of aspartame, G.D. Searle & Co.'s NutraSweet, in single-handedly reviving the diet segment of the market and increasing over-all sales.

But the jury is still out on whether the high cost of aspartame will cause a major adjustment in the soft drink price structure there.

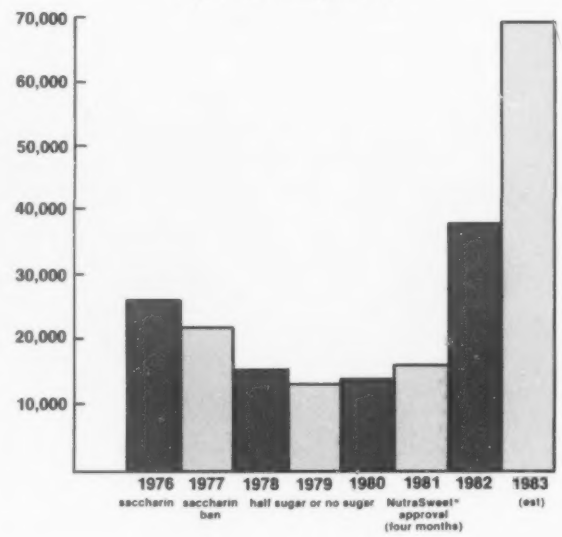
Historically the diet segment of the Canadian soft drink market ranged around 8% to 10% of the total market until 1977, when saccharin was banned. By 1979, the "diet" share of market had shrunk to 2%.

Canadian bottlers experimented with two approaches to so-called diet drinks. One was a completely sweetener-free product which didn't taste very good. The other was a 50%-reduced sweetener content product which wasn't dietary and certainly not sugar-free.

"Neither really filled the need for a diet drink," says Tibor Gregor, executive director, Canadian Soft Drink Association. "So when G.D. Searle introduced aspartame, it took off like a rocket."

Effects of saccharin ban, NutraSweet approval on Canadian diet soft drink sales

Imperial Gallons (add 000)



In 1982, the first full year aspartame was available, the diet segment had not only regained historical levels, it had grown to 15% of the total market by year's end, while the total market itself had doubled.

Latest figures for April-May show food store sales of diet soft drinks at a new high of 21.4% of the total and still growing.

Roy Lockyer, president and chief executive officer, Canada Dry Ltd., says: "It's 21% already and it could go to 30% by the end of the year. It's heading that way."

Others are only a bit more conservative.

Ren Dunn, senior vice president, Crush Canada Inc., says: "I think 30% may be

(Continued on page 56)

19 firm hit $50 million mark

Study: A-B wholesalers dominate industry sales

by Holly Klokis

SPECIAL REPORT—Anheuser-Busch casts a long shadow, and by all indicators it will only get longer. The nation's largest brewing company, with sales gains outpacing the growth of the U.S. beer industry, is now showing its clout on the wholesaler level.

A recently released list of the top 19 beer wholesalers with sales of $50 million or more, shows A-B with the lion's share of those distributors—14, to be exact. A-B's strong network of breweries is now being complemented with a strong network of large, mostly independently-owned beer wholesalerships.

"Essentially, the list of the largest beer wholesalerships

(Continued on page 43)

BI Now Package

Schweppes "egg-shaped" bottle was industry's first contour and plays nostalgic role as the firm celebrates its 200th anniversary. See page 63.

Features

1 **NBWA convention goers**
Later this month several thousand distributors will meet in New Orleans to review over 300 exhibitors' new offerings, hear blue-ribbon program. Complete pre-show coverage continues on page 27.

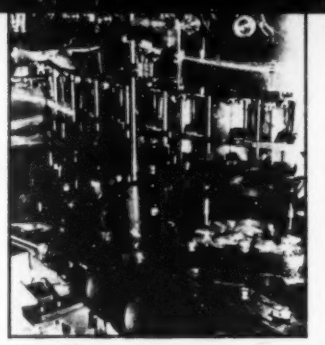
18 **New filler boosts morale**
New 52-valve Vickers filler in Columbia, MO, is not only pumping out product, it's also pumping up chests.

22 **Hi-C 'Drink Box' spurs expansion**
New Brik Pak lines in the Highstown, NJ, plant are helping Coke fill its growing Hi-C aseptic package requirements.

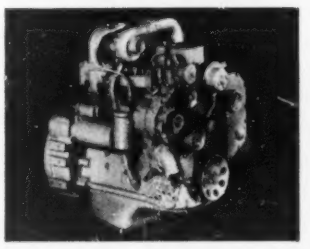
25 **Bud and Schlitz thrive, side-by-side**
Portland Distributing has found a way to make sure each brand get its fair share of marketing attention.

48 **New '84 truck chassis, engines**
Changes in the new truck models aren't cosmetic. Under the sheet metal, manufacturers have scored some impressive gains in fuel economies, efficiencies.

62 **London gala ends Schweppes 200th year**
Capping a year-long, world-wide celebration, some 300 North American bottlers will take part this month in a royal gala in London.



page 18



page 48

Departments

Reader service.....9
Beverage Indicators...11
Plant Security 15
NOW package 63
Calendar 65
New Products.....65
New Literature 68
Supply House.....69
Newsmakers 70
Classifieds.....73
Ad Index.....76
Editorial 78

Soundoff

But how about the Schweppes or Canada Dry drinker?

"In many states now, deposits are required on the bottles and cans the drinks come in. I have a friend who's a soft drink snob. She thinks Perrier ought to be exempt from the bottle laws because she doesn't believe anyone who'd have the class to drink Perrier would be so crude as to throw the bottles out of the car window."

—From Commentator Andy Rooney's syndicated column of Aug. 4, 1983

HARCOURT BRACE JOVANOVICH PUBLICATIONS: Robert L. Edgell, Chairman; Richard Moeller, President; Lars Fladmark, Executive Vice President; Arland Hirman, Treasurer; Senior Vice Presidents: Thomas Greney, Ezra Pincus; Pat O'Rourke; Vice Presidents: Joe Bilderbach, James Gherna, George Glenn, Harry Ramsley, Don Gussow.

BEVERAGE INDUSTRY (ISSN-0148-6187) is published monthly by Magazines For Industry, Inc., a subsidiary of Harcourt Brace Jovanovich Publications. Corporate and Editorial offices: 7500 Old Oak Boulevard, Cleveland, Ohio 44130. Advertising offices: 757 Third Avenue, New York, New York 10017 and 111 East Wacker Drive, Chicago, Illinois 60601. Accounting, Advertising Production and Circulation offices: 1 East First Street, Duluth, Minnesota 55802. Subscription rates: $35 per year in the United States; $45 per year in Canada. All other countries: $70 per year. Single copies (prepaid only): $2 in the U.S.; elsewhere $6.00; add $3.00 for shipping and handling per order. Second class postage paid at Duluth, Minnesota 55806 and additional mailing offices.

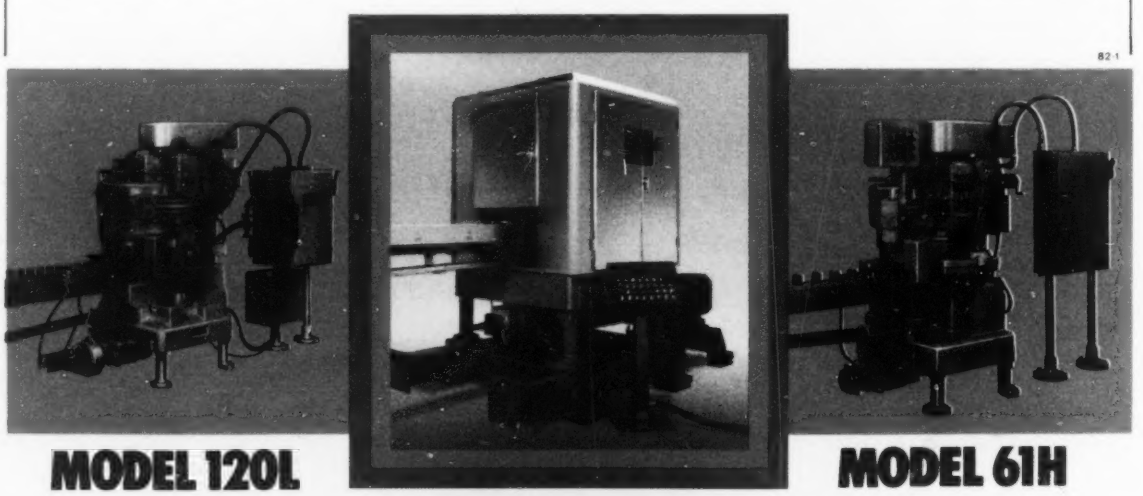
Copyright © 1983 by Magazines For Industry, Inc., a subsidiary of Harcourt Brace Jovanovich, Inc. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher. Microfilm copies of articles are available through University Microfilm, International, 300 N. Zeeb Road, Ann Arbor, Michigan 48106.

POSTMASTER: Send address changes to BEVERAGE INDUSTRY, P.O. Box 6259, Duluth, Minnesota 55806.

ANGELUS HIGH-SPEED BEER/BEVERAGE SEAMERS
OPTIMIZE YOUR R.O.I.

Maximum Return on Investment calls for a match between production requirements and production facilities. Whatever your production levels, there's an Angelus can seamer with an optimal seaming speed.
There's the new 180S for top seaming rates. At more than 2,000 cans per minute, it's the fastest can seaming machine in the world. If you anticipate these levels in the near future, even if you aren't there right now, the 180S is a good investment in "futures."
The Angelus 120L closes up to 1,600 cans per minute—ample for all but the largest volume production. While slightly slower in speed, it matches the high quality and exclusive features of the 180S.
The Angelus 61H does a superb seaming job at more modest speed levels—up to 600 cans per minute.
These three machines have a lot in common that make them real profit-makers. They can maintain their maximum production rates through long runs during peak periods. That's because they all have virtually automatic lubrication to minimize downtime (semi-automatic system on the seaming rolls). And they all are built to high Angelus quality standards—backed by more than 70 years experience. Of course there are many other Angelus machines, each one production matched to specific requirements. Write for information—stating your products, can sizes, and production rates. Angelus Sanitary Can Machine Co., 4900 Pacific Blvd., Los Angeles, CA 90058 • (213) 583-2171.

R.O.I.
ANGELUS



MODEL 120L
MODEL 180S
THE ULTIMATE SEAMING MACHINE
MODEL 61H

82-1

Beverage Industry

Vendor shipments reflect recession

Beverage vendors down 3% in '82; '83 prospects not much better

SPECIAL REPORT—According to the latest figures from the U.S. Department of Commerce, 1982 manufacturers' shipments of vending machines for beverages totaled $213.6 million, a decrease of 3% from the 1981 figure of $221 million.

Most industry experts agree that while a decrease in shipments was not exactly what they were hoping for, it was expected. And though the industry is not declining as much as it has in recent years, most feel shipments will remain the same for awhile. One major vending manufacturer even felt total industry shipments will be slightly less this year than in 1982.

"At the midpoint of 1983, we've had indications that bottle/can vending shipments will be down slightly from 1982," says the manufacturer official, who asked not to be identified. "At best, the industry will stay the same instead of experiencing any major change... This business is an economic trend follower."

Probably the most optimistic about 1983 and most willing to forget past economic problems are the coin changer manufacturers. "They are able to be more optimistic because not only do they manufacture changers for the new machines, they do work for older machines as well," says one source. "Machine manufacturers tell a different story."

Jim Douglass, vice president of marketing with Coin Acceptors, Inc., feels 1983 will be "a good year, but not a record setter. I've talked with various bottlers and manufacturers, and universally, we feel the entire business is picking up."

(Continued on page 64)

Quantity and value of shipments of coin-operated beverage vending machines:
(Value in thousands of dollars)

Item	Number of companies	1982 Quantity	1982 Value	1981 Quantity	1981 Value
Coin-operated vending machines	45	465,374	318,962	492,385	338,313
Beverage vending machines	19	188,676	213,606	201,182	221,288
Hot beverage[1]:					
Nonoffice type	5	7,152	6,494	8,107	5,726
Office type	3				
Fresh brew, coffee, and combinations	4	6,186	13,860	9,359	17,464
Soft drink:					
Canned beverage (refrigerated) vending machines[2]	5	166,912	170,559	170,463	166,752
Bottle vending machines[2]	5				
Cup (postmix)	5	(D)	(D)	8,494	23,930
Package milk and juice (indoor)	3	1,387	2,982	3,266	5,954
Other vending machines for beverages	4	(D)	(D)	1,493	1,462

[1]These are primarily coffee vending machines though they may also vend hot chocolate and/or hot soup.
[2]Some vending machines designed and sold to handle canned beverages are also adaptable to bottled soft drinks through the use of a conversion kit.
(D) Data withheld to avoid disclosing figures for individual companies. [r]Revised by 5 percent or more from previously published figures.

Source: Dept. of Commerce, Bureau of the Census

Copyright: Beverage Industry, September 1983

Meyer develops update program geared to machinery users

CUDAHY, WI—George J. Meyer Mfg. has developed a machinery update program, aimed at providing Meyer equipment users with added machinery service by adapting new technology to the established machines.

Engineers at George J. Meyer Mfg. and Meyer Akron Packaging Machinery have recently completed the development of a series of machinery updates.

Updates include high speed filling valves, positive up lift control, adjustable infeed star, friction-free drive and uncaser finger conversions.

Complete machinery conversions are available for Model M and MC casepackers to update these machines to the present Spartan/Cadet format. The program has also generated several new ideas to be pursued as field updates for Meyer equipment.

Both plants are building inventory of many of these updates. In addition, Meyer anticipates continued emphasis on and development of future modernizations.

• For more information on the **Meyer machinery update program,** circle no. 191 on the reader service card. □

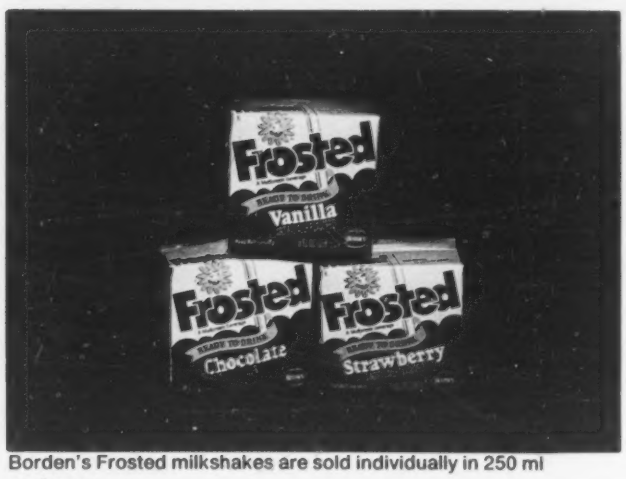
Borden's shakes up drink with new aseptic package

WELLSBORO, PA — Borden's, Inc., has begun production here of aseptically packaged milkshakes, replacing 8-oz. cans. It's believed to be the first aseptically packaged milkshake in the U.S.

Frosted Milkshakes, available in strawberry, chocolate and vanilla, aren't new; they've been on the market for 10 years, but always in a can, according to Borden senior publicist Eileen Denne.

Combibloc installed a CF6000 machine here to produce the 250ml packages, a

(Continued on page 21)



Borden's Frosted milkshakes are sold individually in 250 ml packages.

Beer import eyes national distribution

GREENWICH, CT—Kronenbourg, which claims to be Europe's top selling bottled beer, has expanded distribution to five more states, anticipating national distribution by 1984.

Wisconsin, Ohio, North and South Carolina and the Hawaiian Islands were added this summer. The beer is now available in 35 states.

Introduced in the United States in bottles in 1980, distribution began on the East and West Coasts and has moved into the Midwest. This summer Kronenbourg brought its draft beer into the Boston and New York markets.

To increase sales, Kronen-

(Continued on page 12)

Old Tyme intros two; repositions Ginger Beer

FORT LEE, NJ—In addition to launching two new flavors, Sangria Soda and Pina Colada, Old Tyme soft drinks have gone through major package and positioning changes, especially the Ginger Beer brand.

Bob Tuckman, president of Lou Scharf, Inc., U.S. marketers of Old Tyme, says Gin-

(Continued on page 12)

Old Tyme soft drinks, with seven of its nine flavors shown here, are packaged only in 12 oz. bottles.

Japanese beverage growth flat last 5 yrs.

by Sankichi Yamasaki

TOKYO, JAPAN—A report from the Japan Soft Drink Bottlers' Association reveals that packaged beverage consumption over the last five years (1978-1982) has shown almost flat growth in this country.

Only food drinks, a category characterized by its high nutritional value that includes fruit and vegetable juice, milk, soy milk and bottled water, showed a marked increase during this period. Alcoholic beverages showed a moderate increase, but soft drinks, including carbonated drinks, juice drinks, milk drinks and coffee drinks, decreased substantially.

The association blames a "difficult economy and unfavorable weather conditions" for the flat growth over this period.

In the food drink category, soy milk has been the biggest success story with skyrocketing increases ever since its introduction in 1978. While it's too early to tell how well this product will continue to grow in the future, it's improved taste, economical price, low cholesterol and attractive packaging has won consumers.

However, not all beverages within the food drink category were successes. Both fruit and vegetable juices showed decreases.

Packaged alcoholic beverages held their own during this five year period and showed moderate growth. Beer continues to be the most popular beverage in the country and is showing a steady volume increase.

Soft drinks off

In the soft drink category, all beverages showed decreases with the exception of canned coffee. This means consumers are refraining from drinking packaged, refreshment-oriented soft drinks and are turning to more economical and unpackaged tea or coffee instead.

There are several factors that are believed to be contributing to the continued decline of carbonated soft drinks and the continued in-

(Continued on page 8)

Categorical Japanese carbonated drink consumption in 1982

Category	Shipment: kl	Per-Capita: l	Share: %	82/81: %
Cola	891,000	7.51	33.5	98.9
Lemon-Lime	789,000	6.65	29.7	93.8
With Juice	115,000	0.97	4.3	112.7
Colored/Fruit Flavors	438,000	3.69	16.5	84.6
With Milk	98,000	0.83	3.7	140.0
Club Soda	44,000	0.37	1.7	110.0
Other	81,000	0.68	3.1	261.3
Sub-total	2,456,000	20.70	92.5	98.1
Specialty	200,000	1.69	7.5	121.2
Grand-total	2,656,000	22.39	100.0	99.6

Source: Yamasaki International

Copyright: Beverage Industry September 1983

3 Australian beers debut in Midwest

LOS ANGELES, CA—Mission Imports here has just finalized a contract with Chicago Beverage Systems for the Midwest distribution of three Australian beers.

The three—KB Lager, Reschs Pilsener and Tooths Sheaf Stout—are brewed by Tooth of Sidney.

They are known for their natural ingredients and oversized packages. KB Lager and Resch Pilsener come in a 25 oz. can. Sheaf Stout comes in a 25.6 oz. bottle. KB is also available in a six-pack of 12-oz. cans.

"We feel the market is ripe for high quality Australian products, particularly with the recent popularity of Australian films in the U.S.," said Bill Hargis, manager of Chicago Beverage Systems, a division of International Brands.

International Brands is servicing distributors in Illinois, Iowa and Indiana. □

HOW TO MAKE MORE MONEY ON BEER.

Fold down bag along dotted line.
PORTA COOL
KEEPS DRINKS COLD UP TO 8 HOURS
INTERNATIONAL PAPER COMPANY
Also available with Pabst Blue Ribbon™ or Budweiser® logos.

Now it's possible to make an additional 20%-30% markup by selling your retail customers an inexpensive, handy cooler bag.

PortaCool® bags keep a six-pack or two of beer cool for up to eight hours.

PortaCool makes more sense for retailers to sell than foam coolers. Fifty of them fit in only 18 inches of floor space. And retailers can put the PortaCool display right next to the cash register.

Beer customers will like the practicality of the PortaCool bag, too. It costs much less than a foam cooler. It's not cumbersome. Yet each PortaCool can hold up to 10 lbs. of ice surrounding two six-packs of beer (or any other beverage). And PortaCool bags have built-in handles which make them easier to carry on a picnic or to the beach.

Now PortaCool has a retail marketing program to make it even easier for you to make money on beer. It works like this: We advertise and promote PortaCool to your retail customers. This generates sales and sales leads which will be directed to you. All of which presells PortaCool, making the selling job easier for you and your salespeople. And these easy sales are on an item with one of the highest markups of any item you sell.

For more information, just mail in the coupon today or call toll-free (800) 223-1268. In New York State: (212) 599-3194.

I'd like to make more money on beer. Please tell me how I can stock PortaCool® beer cooler bags.

Name_____

Title_____

Company_____

Address_____

City_____ State_____ Zip_____

Bagpak PortaCool, Dept. 5
International Paper Company
77 West 45th Street, N.Y., N.Y. 10036

® International Paper Company, 1982

Circle No. 132 on Reader Service Card

Shasta introduces cola 12-packs in two markets

Shasta's new 12-pack is backed by television and newspaper advertising and on-pack promotions. Graphics stress refreshment and taste enjoyment.

HAYWARD, CA —. Shasta Beverages, Inc., has introduced a 12-can package for regular and diet cola in its Southern California and Las Vegas markets.

Mead Packaging is manufacturing the package, which has been on the market since mid-April.

Promo opportunities

The new 12-pack offers numerous promotional opportunities for the trade and is supported by extensive advertising and marketing programs, according to Alfred C. Carosi, Jr., director of marketing services for Shasta.

The pricing of the package is expected to generate high sales and revenue margins per unit for retailers while offering consumers significant savings over other major competitors' packages, Carosi added.

The package's graphics both billboard the Shasta brand name and feature a can chilled in ice to stress refreshment and taste enjoyment.

Carosi believes the unique packaging design will help merchandise the package on shelves and in end-aisle displays to enhance impulse purchases.

Marketing activities in support of the 12-pack introduction included television and newspaper advertising and on-pack couponing.

The heavy-up television effort featured a six-week spot campaign during both daytime and prime time programming, augmented by Shasta's strong going network campaign.

Couponing

Shasta scheduled a 600-line ad, featuring a 50-cent coupon, to run in two dozen newspapers on the best food day of the week prior to Memorial Day weekend, traditionally a peak selling period. In addition, a 50-cent on-pack coupon promotion was slated during the heavy volume summer months, July through September.

"The 12-pack is commanding a greater share of the soft drink market and offers tremendous profit potential for the trade," Carosi said. "Our new package, with its unique graphics and marketing support program, is designed to help the trade capitalize on this growth market."

A Shasta spokesperson added that it's too early to tell whether the package will be expanded to other areas or include other Shasta flavors.

● For more information on **Shasta Beverages,** circle no. 192 on the reader service card; for **Mead Packaging,** circle no. 193 on the reader service card. □

Still leading the pack in 6-packs and 8-packs.

Our Pearson D1080 Adjustable Carrier erector (available in 4, 6, 8 or 12-pack versions) has led the field since it was invented 25 years ago. And recent improvements are adding to an already impressive record.

- Sets up used or new carriers.
- Faster, up to 80/minute.
- Continuous operation.
- Seldom misses erecting, but ejects flat carrier. ("Self-purging")

Please call us now for complete information.

R.A. PEARSON COMPANY

PACKAGING EQUIPMENT DESIGN AND MANUFACTURING

W. 8120 Sunset Highway
Spokane, Washington 99204

509/838-6226

Circle No. 150
on Reader Service Card

Japanese beverage growth flat last five years

(Continued from page 7)

crease of beer here. They include:

- The high cost of raw materials and packaging, together with complicated distribution systems which are lowering the profits for bottlers;
- Consumers may be beginning to think that they are paying too much for these soft drinks;
- Keen competition amongst bottlers and a lack of coordination to promote soft drinks to the consumer;
- Many new product introductions that have only served to confuse the consumer.

There is, however, some encouraging news. The disposable income of the Japanese working family from 1978 to 1982 showed a substantial recovery in 1982 with an actual increase of 3%.

New products

In addition, there have been a plethora of new products and some seem to have potential. Here's a rundown on the newest:

- Coca-Cola Japan has introduced Aquarius, a non-carbonated isotonic drink packaged in 250 ml cans that's available in limited areas;
- Asahi Brewery has launched Dry Gingerale in 300 ml NR bottles and 250 ml cans, plus Mitsuya Cider Crystal, a carbonated lemon-lime / champagne - flavored drink in 1,000 ml PET bottles;
- Sapporo Fruit Five, a non-carbonated fruit drink with five kinds of fruit juices, fortified with vitamin C and packaged in 1-L PET bottles;
- The Food Division of Takeda Pharmaceutical is manufacturing C & Herb, a vitamin-fortified, herb-flavored carbonated drink in 300 ml NR bottles;
- Otsuka Chemical has rolled out Sinvino, a carbonated apple cider, packed in 170 ml NR bottles;
- Calpis Foods has introduced Cal-Cee, a fermented milk drink, fortified with calcium and vitamin C and packed in 1,000 ml paperboard cartons;
- Suntory Ltd. has begun production of Yamazaki No Meisui, a mineral water packed in 1,000 ml paperboard cartons.□

Japanese carbonated drink consumption (1978-82)

Year	Shipment: kl	%	Per-Capita: Consumption l	Population: 000
1978	3,407,000	(-)	29.58	115,174
1979	3,362,000	(98.6)	28.95	116,133
1980	2,855,000	(84.9)	24.39	117,057
1981	2,668,000	(93.5)	22.63	117,886
1982	2,656,000	(99.5)	22.38	118,693
82/78	(22.1%)		(24.3%)	3%

Source: Yamasaki International

Copyright: Beverage Industry September 1983

Per-capita consumption of packaged beverage in Japan (unit-liter)

Category	1978	1979	1980	1981	1982	82/78 %
(Food drink)						
Fruit juice	1.49	1.46	1.37	1.40	1.36	91
Vegetable juice	1.59	1.57	1.39	1.11	0.69	43
Milk	31.26	32.70	33.77	34.90	35.53	114
Soy milk	0.04	0.09	0.15	0.32	0.56	1400
Bottled water	0.52	0.59	0.67	0.72	0.73	140
Sub-total	34.90	36.41	37.35	38.45	38.87	111
(Soft drink)						
Carbonated drink	29.59	28.95	24.39	22.63	22.38	76
Fruit drink	14.32	15.14	14.03	13.95	14.10	98
Milk drink	16.47	16.49	15.16	14.20	14.57	88
Coffee drink	3.68	4.69	5.30	5.85	6.74	183
Sub-total	64.06	65.27	58.88	56.63	57.79	90
(Alcoholic drink)						
Beer	38.46	38.53	38.80	39.41	40.41	105
Sake wine	15.69	15.96	15.61	15.42	15.24	97
Spirit grape wine	0.39	0.44	0.44	0.47	0.54	138
Spirit	2.78	2.89	3.11	3.46	3.39	122
Sub-total	57.32	57.82	57.96	58.76	59.58	104
Grand total	156.28	159.50	154.19	153.84	156.24	100

Source: Yamasaki International

Copyright: Beverage Industry September 1983

Beverage Business Indicators

Selected Consumer Price Index (base: 1967 = 100)

	March 1983	April 1983	% Change	April 1982	April '82 vs. April '83 % Change
Cola	314.1	311.5	(.8)	304.9	2.2
Other carbonated soft drinks	146.7	145.6	(.7)	143.4	1.5
Noncarbonated drinks	141.1	139.6	(1.1)	138.7	.6
Wine	239.1	236.3	(1.2)	236.4	(.04)
Beer and ale	219.8	221.0	.5	210.5	5

The Consumer Price Index (CPI) is a measure of the average changes in prices over time in a fixed "market basket" of goods and services. The index measures price changes from a designated reference date which equals 100 (usually 1967). An increase of 22 percent, for example, is shown as 122. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from $10 in 1967 to $12.20.

Source: U.S. Department of Labor Bureau of Labor Statistics

Closures for Beverages (thousands of gross)

	December 1982	January 1983	% Change	January 1982	Jan. '82 vs. Jan. '83 % Change
Metal (for spirits, wines)*	38,290	87,065	127	59,731	45.8
Plastic (for spirits, wines)*	104,464	120,795	15.6	84,158	43.5
Metal Crowns (beer & soft drinks)	13,216	14,278	8	18,474	(22.7)
Soft drinks (convenience and conventional types)	4,910	5,455	11.1	7,573	(28)
Beer (convenience and conventional types)	8,306	8,823	6.2	10,901	(19.1)
All other metal closures other than crowns	5,791	5,704	(1.5)	4,772	19.5

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Bottle Shipments (thousands of gross) (not seasonally adjusted)

	December 1982	January 1983	% Change	January 1982	Jan. '82 vs. Jan. '83 % Change
Glass Bottle Production Total Bottles:	21,013	23,062	9.8	24,457	(5.7)
Beverage: Refillable	405	424	4.7	208	104
Nonrefillable	4,012	3,942	(1.7)	3,409	15.6
Beer: Refillable	39	115	195	213	(46)
Nonrefillable	6,708	7,301	8.8	8,305	(12.1)
Liquor	1,038	1,126	8.5	1,282	(12.2)
Wine	648	723	11.6	793	(8.8)
Plastic Bottle Production* Carbonated beverages	249,581	180,157	(27.8)	165,865	8.6

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Selected Producer Price Index (base: 1967 = 100)

	March 1983	April 1983	% Change	April 1982	April '82 vs. April '83 % Change
Soft drinks	325	327.1	.6	318.2	2.8
Alcoholic beverages	203	204.4	.7	197.1	3.7
Beverages and beverage materials	261.8	263.0	.5	256.6	2.5
Packaged beverage materials	326	325.7	(.1)	323.6	.6

The Producer price Index (PPI) is a measure of the average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were formerly called the Wholesale Price Index. The name was changed to more accurately reflect the coverage of the data. PPI's are designed to be interpreted in the same manner as the CPI.

Source: U.S. Department of Labor Bureau of Labor Statistics

Sweeteners (cents per pound)

	April 1983	May 1983	% Change	May 1982	May '82 vs. May '83 % Change
42% Corn Syrup High Fructose Decatur, IL, tank cars, cwt.	11.25	12.09	7.5	NA	–
55% Corn Syrup High Fructose Decatur, IL, tank cars, cwt.	14.25	14.25	--0--	13.82	3.1
Sugar, liquid ind. No. 2 per cwt. solids, F.O.B. (N.E. refinery)	32.20	32.20	--0--	27.45	17.3

NA: Not Available

Source: The Journal of Commerce

Imported Beverages (proof gals)

	February 1983	March 1983	% Change	March 1982	March '82 vs. March '83 % Change
Beer*	11,763,817	16,268,193	38.3	12,846,448	26.6
Whiskey	4,278,098	4,951,886	15.7	4,064,558	21.8
Brandy	402,994	450,459	11.8	379,218	18.8
Gin	242,108	387,609	60.1	283,486	36.7
Rum	40,234	49,362	22.7	35,621	38.6
Cordials & liqueurs	621,083	714,851	15.1	608,652	17.4
Others	570,083	680,050	19.4	438,172	55.4
Total	17,918,417	23,503,310	31.2	18,656,155	26
Sparkling wines	506,457	618,138	22.1	452,820	37
Still wines, table	4,207,467	10,761,591	15.5	7,221,973	49
Still wines, fortified	110,488	210,777	90.8	155,545	36.0
Vermouth	187,789	205,326	9.3	238,779	(14)

*Includes ale, stout, porter

Source: National Association of Beverage Importers, Inc.

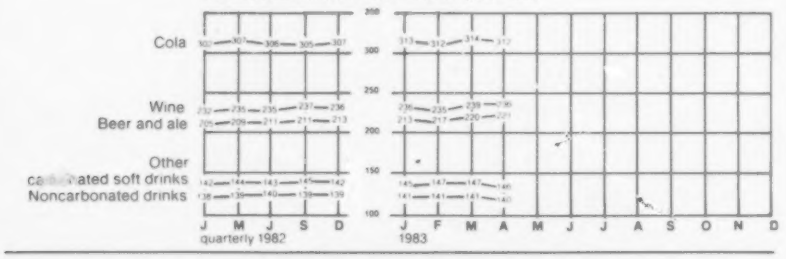
Alcoholic Beverage Removals (barrels of 31 gals)

	January 1983	February 1983	% Change	February 1982	Feb. '82 vs. Feb. '83 % Change
Beer	12,931,252	12,856,192	(.6)	13,099,232	(1.9)
Wine*	26,610,246	27,430,382	3.1	26,747,537	2.6
Spirits*	25,675,279	22,602,999	(12)	23,511,693	(3.9)

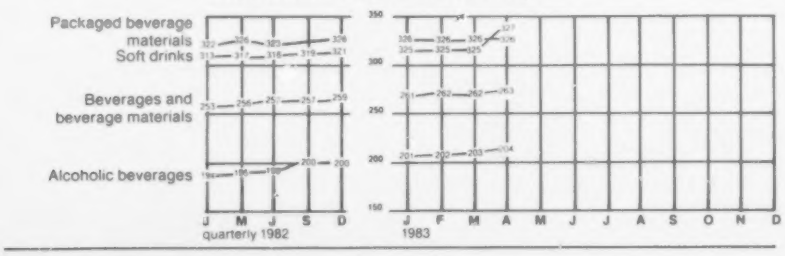
*wine gals

Source: U.S. Department of the Treasury Bureau of Alcohol, Tobacco and Firearms

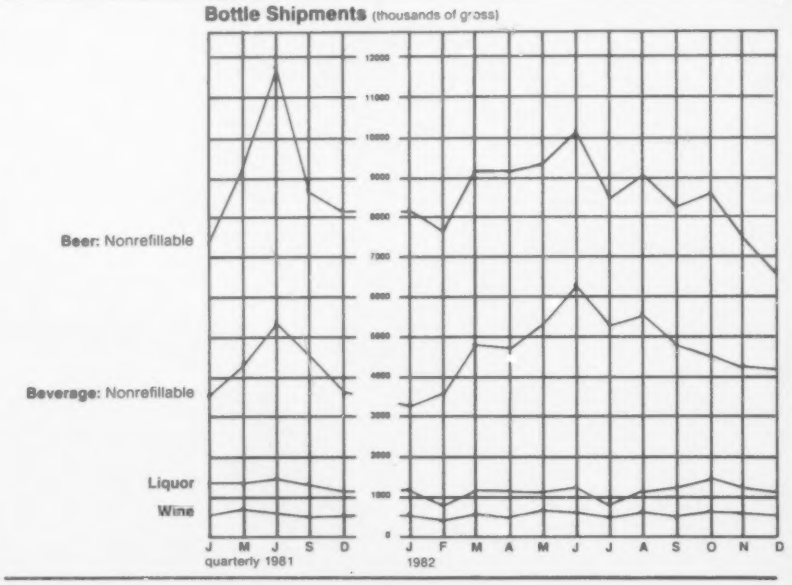
1983 Consumer Price Index (1967 = 100)



1983 Producer Price Index (1967 = 100)



Bottle Shipments (thousands of gross)



"Beefy" new Vickers filler boosts bottler morale

COLUMBIA, MO — Monahans, TX. is not one of those places to go without a good reason. It's a dusty little border town, reachable only by light plane, car or horse. And it takes the better part of a day to get there from here.

So it was a mighty good reason that prompted Jay Wiles and Troy Frost — the plant manager and maintenance manager, respectively, of Columbia Pepsi-Cola — to make the trip.

Their goal was to look at the first Vickers-Miller Hydro filler in America — which was pumping away at Monahans Coca Cola.

Columbia Pepsi was remodeling, and a new filler was part of the plan. Wiles and Frost dreamed of one that wouldn't be plagued by breakage, jams, fast-wearing center bearings, and endless changeover adjustments.

They found it at Coke Monahans. "Their people were as enthusiastic as salesmen," recalled Wiles. "The machine was built beefy. There was just . . . more of it. It didn't wear. It didn't jam. It didn't need changeover adjustments."

Convinced by this case study and the numbers Vickers supplied, Wiles recommended to owners J. W. and Lois Stafford that they buy a 52-valve Vickers stainless steel filler. It was installed at Columbia in January, 1983. Apart from a design oversight Vickers has now corrected, the filler has run since January "without loss of confidence."

"All other fillers I know of, once the bottle leaves the crowner, the filler says, 'that's it, I'm done with it.' But not this one."

Wiles likes its massiveness. "It uses a slewing ring as the center bearing," he continued. "A slewing ring is what construction crane cabs ride on. Its specs exceed the filler requirements."

The ring rides just inboard of the lift cylinders, eliminating the stress a center-mounted bearing would take. It holds the bowl without tilting, vibrating, shaking or rattling, and is easy to lubricate, according to Wiles. "I had to replace the center bearings in the old filler every 18 months. I don't expect ever to have to replace these," he said. (A spokesman for Vickers reports that the company has used the slewing ring design for seven years, and none has yet been replaced.)

The plant manager pointed out that the Vickers is more expensive than American fillers. But he believes the differences are worth it.

"On this filler, the bottle is controlled from the moment it enters the filler. It doesn't stand free at any point; it doesn't leave the star wheel until it is completely under and in contact with the valve," Wiles explained.

"All other fillers I know of, once the bottle leaves the crowner, the filler says, 'that's it, I'm done with it.' But not this one. This one takes the bottle from the infeed side through the sequences, and after crowning, it has its own conveyor that carries it away and makes a smooth, trouble-free transfer to the warmer or case packer."

The change parts are heavier — three-or-more times as thick as competitors' parts. And they are more expensive — up to $12,000 per set. "But they won't wear out," Wiles said.

(The machine does contain an eight-head Alcoa capper in monoblock, and Alcoa supplies the change parts for this unit.)

The Vickers is equipped with an emergency brake that will "stop it cold," Wiles said, snapping his fingers.

"The torque is so tremendous, you have to bolt this machine to the floor. But even if you're running 500 bottles per minute, you can almost stop a bottle at a pre-chosen point. And there's no bottle damage. It eliminates poor bottle handling, breakage, bottle jamming, and machinery jamming or damage from broken glass."

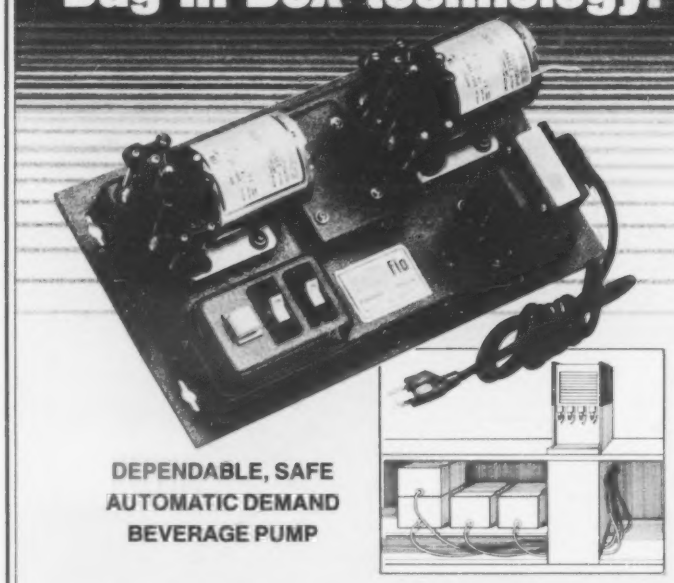
The machine itself runs on 220 volts. Its functions are non-hydraulic.

Instead, it uses a pye tasc eddy current drive — simply an electromagnetic clutch — to provide variable acceleration. A squirrel cage motor runs at constant speed, and the pye tasc unit varies the intensity of the magnetic field between the clutch plate coming from the unit, and the one driving the filler.

Any number of pye tasc conveyor drive units can be controlled and synchronized with the filler.

Within the controls of the machine, rate of acceleration

SHURflo...the leader in Bag-In-Box technology!



DEPENDABLE, SAFE AUTOMATIC DEMAND BEVERAGE PUMP

SHURflo "Bag-In-Box" systems offer the most efficient, cost effective method of dispensing post-mix syrups, teas, juices, wine and other beverages. Once your Shurflo system is installed—plug it in—it operates on demand with low cost electricity. No more hassle with expensive stainless steel five-gallon canisters—just the elimination of handling and storage will greatly cut operating expenses. Shurflo systems may be set up to operate single or multiple dispenser heads, or bar guns. Shurflo's unique variable flow beverage pump assures consistent dispensing of each and every serving. Call us today for complete information on the Shurflo electric alternative to beverage dispensing.

SHURflo

1400 Cerritos Avenue East
Anaheim, California 92805
714-533-7700 or 800-854-3218
Telex 910-591-2707 Shurflo ANA

Analyst: .5-L PET closer; 1.2 billion forecast for '84

CLEVELAND, OH—Anticipating that suppliers are close to solving shelf-life and pricing problems with the .5-L PET bottle, Arthur M. Stupay, analyst with Prescott Ball & Turben, Inc., is projecting that the soft drink industry will utilize 1.2 billion of these containers next year.

"Production should increase to about 2 billion units in 1985," says Stupay. "There is a potential for 5 billion .5-L units by 1985 of which 2 billion will be plastic and 3 billion will be glass."

He predicts .5-L PET bottles will grow at a compound rate of 50% each year over a three year period beginning in 1983.

Stupay's prediction for a dramatic increase in the production of .5-L PET bottles is contained in his recent industry report "The Plastic Beverage Bottle: 1983 Update."

The report reveals that 2-L PET volume rose from virtually zero in 1977 to 500-700 million units in 1978, 1.6 billion units in 1979 and reached 2.5 billion bottles in 1982.

The .5-L PET beverage bottle, introduced in 1981, was expected to be as successful as the 2-L bottle. That did not occur, Stupay says, because machines did not produce at rated speeds and the cost of the .5-L bottle was 15% to 20% higher than glass in 1982.

According to Stupay, the first problem was solved by re-engineering the machines.

Secondly, he says increased machine productivity and lighter bottles, achieved from better distribution of resins over the surface of the container, should narrow the cost between plastic and glass by at least 5%.

Other factors that will contribute to increased production include new manufacturing methods which have resulted in bottles with longer shelf life and the resurgent economy. Also, wholesalers, distributors and retailers in mandatory deposit states seem to favor plastic over glass, he says.

Demand for 1- and 2-L PET bottles will continue to grow as well, but "basically all the growth through 1985 is in the .5-L size," Stupay says.

The report shows that between 2.6 billion and 2.7 billion 2-L PET bottles will be produced this year, up 200 million from last year, and predicts production to increase through 1985 from 5%-8% each year.

Production of the 1-L PET bottle will hit 400 million this year, up 100 million from the previous year, and remain the same in 1984.

Plastics, according to Stupay, will also increase its penetration in the liquor, wine and beer markets as unit

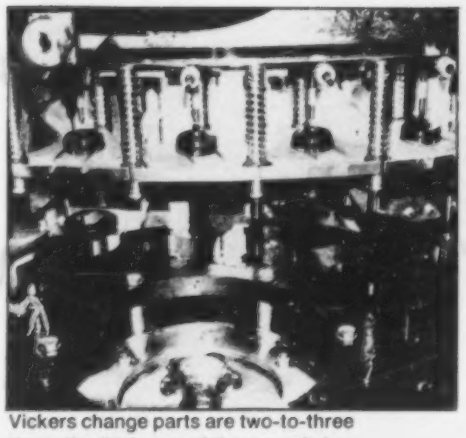
can be adjusted, from slow to fast up to half speed, and likewise up to full speed. The half speed rate is also adjustable, depending on the package being run and the rate of fill. The half-speed is a feature Wiles particularly likes.

"If you have a shortage of bottles at the infeed, instead of stopping everything and waiting for them to build up, you can just hit the half-speed button and run slowly until the bottles catch up," he said.

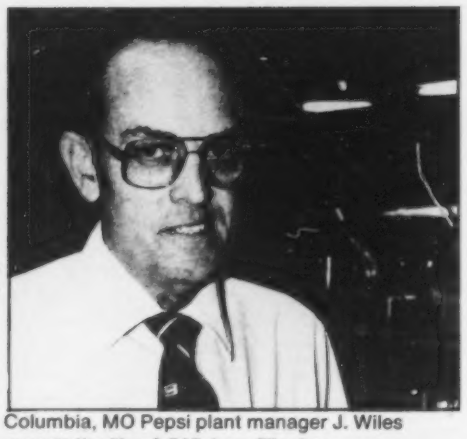
"Machinery has a mind of its own. The trick is to keep it running. Once you shut it down, you just invite operating problems when you start up again."

Wiles has already found his first cost saving. "We don't use refrigeration at all filling 2-L bottles," he said. "There's no foam even at 100 bpm. In winter that saved us $150 per eight-hour day. We're using less refrigeration on the smaller containers, too, and using the warmer less. We have a 100 hours (96 ton) refrigeration unit, and a 1 million BTU warmer. Anytime we don't use them, we save money."

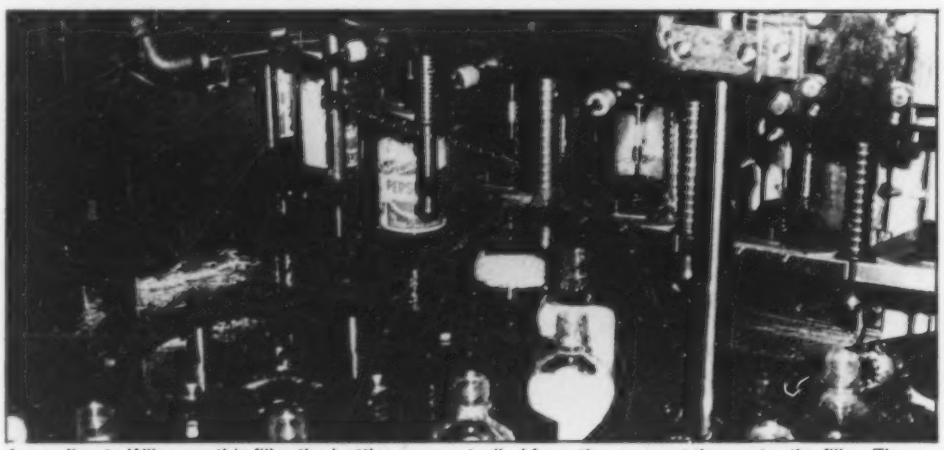
But the best benefits don't break down into numbers. "This machine is just satisfying to work with," Wiles said.



Vickers change parts are two-to-three times the thickness of those made by U.S. manufacturers.



Columbia, MO Pepsi plant manager J. Wiles asserts the "beefy" Vickers filler has turned out to be a morale booster for his crews.



According to Wiles, on this filler the bottles are controlled from the moment they enter the filler. They do not leave the star wheel until they are completely under and in.

"It gives us a feeling of a job well done," Wiles said.

The inside of the bowl on the Vickers is open. It eliminates any chance of built-up bottles or broken glass by the end of the day. "The bottles just fall out onto the floor," Wiles said. "It makes cleanup easy. Before, the line workers got frustrated because they couldn't reach the glass. But now I walk through in the morning, and there's no glass in the filler. No bottles lodged here and there. It's clean."

The real morale builder is easy changeovers. "It might take five more minutes to make a changeover on this machine," Wiles allowed, "but once those parts are bolted on, they are in spec. No starts, stops, or low speed running while we adjust the change parts. On the other filler, my people got so discouraged because they'd make the changeover, push the start button, and never be sure what would happen first.

"But they have confidence in this Vickers. They make the changeover, push the button, and it goes right the first time."

• For more information on **Vickers-Miller Hydro,** circle no. 242 on reader service card. □

costs declines.

He estimates demand in the liquor market will reach 150 million units once a plastic bottle is accepted. Additionally, Stupay reports that distillers are evaluating the use of PET bottles for miniatures and airline packaging.

Wine in plastics is also coming along with test marketing being prepared for 3- and 4-L bottles.

The same size bottles for beer may reach the test market stage late this year, Stupay adds.

He says plastics will continue to make inroads in the marketing of beverages and will be the dominate material for beverages by the mid-'90s.

The study points out that plastic bottles accounted for 20.4% of packaged soft drink sales in 1982, up from 19% the previous year.

Stupay estimates this figure will jump to 22.1% in 1983 and 23.3% by 1984. The .5-L bottle will account for the majority of that increase, he believes.

On the other hand, one-way glass will account for 14.6% of packaged soft drink sales in 1984, down from 15.6% in 1982 and returnable glass will make up 21.7% of packaged sales in 1984, a decline from 22.1% in 1982.

"The more significant inroads of plastic should occur in 1985 and beyond, and we project a 1% to 3% annual volume decline in glass container volume at that time," Stupay says. □

Soft drink demand and packaging

(Units: Bil. Equiv. 12 Oz.)	1981	1982	1983E	1984P
Total Soft Drink Demand	95.0	97.5	100.4	104.4
% Packaged	77.6	77.3	77.1	77.0
Packaged Soft Drinks	73.8	75.4	77.4	80.4
Cans	25.4	26.2	27.0	28.2
% Cans	34.4	34.7	34.9	35.1
One-Way Glass	11.8	11.7	11.7	11.7
% Glass	16.0	15.6	15.1	14.6
Plastics	14.0	15.4	17.1	18.8
% Plastics	19.0	20.4	22.1	23.3
Returnable Glass	22.6	22.1	21.6	21.7
% Returnable	30.6	29.3	27.9	27.0

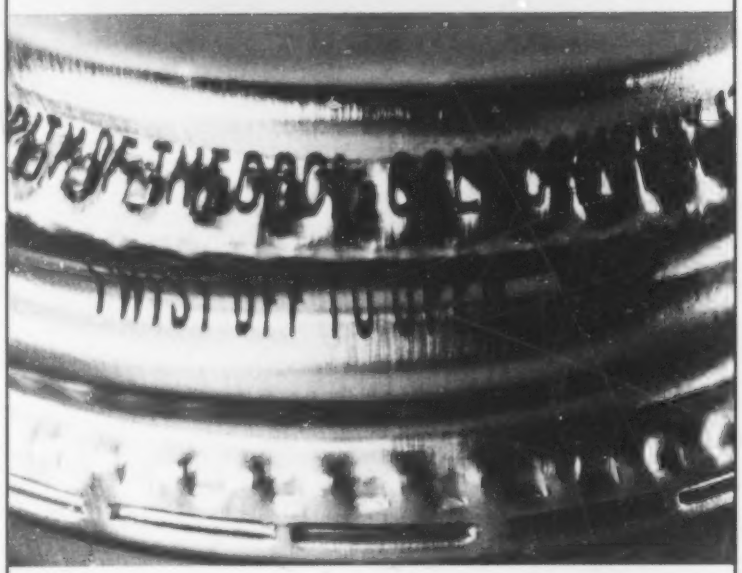
Plastic bottle output

Billions of Units	1981	1982	1983E	1984P
2-L Units	2.3	2.5	2.7	2.9
1-L Units	0.3	0.3	0.4	0.4
.5-L Units	0.1	0.3	0.7	1.2

Source: A.M. Stupay, Prescott, Ball & Turben

Copyright: Beverage Industry, September 1983

IDENTIFY



Enhance ingredient labeling and bottler I.D. with superior litho capabilities of the Alcoa® E-Z Grip Venter™ closure—nothing prints like aluminum. Plus a one-cap inventory for glass and plastic bottles. Contact your Alcoa representative.

Closure Systems International
Division of Aluminum Company of America
P.O. Box 2147, Richmond, Indiana 47374

ALCOA

Circle No. 112 on Reader Service Card

Study: A-B wholesalers dominate industry sales

(Continued from page 1)

in the country is dominated by Anheuser-Busch," says Michael Bellas, president of Beverage Marketing Corp., publisher of the 1982 U.S. Beer Wholesaler Sales survey. "The same concentration you're having on the national brewing level, the manufacturing level, you're now seeing start to appear rapidly at the wholesaler level."

"Rapidly almost appears to be an understatement: Last year, Bellas reported only seven wholesalers had sales breaking $50 million, four of those A-B. The figures this year represent a 171.4% overall increase in top wholesalers, a 250% increase in top A-B wholesalers. "The reason you have so many new A-B wholesalers on the list this year," says Bellas, "is because of the introduction of Bud Light and the continuing strong growth of the Budweiser brand last year. . .Beer wholesalers are getting bigger if they have the right brands."

Cumulatively, the top 19 companies have wholesale sales of over $1 billion and an estimated barrelage volume

Top beer wholesalers with $50m sales or more

Anheuser-Busch, Inc. (company-owned)

Anheuser-Busch, Inc.
1400 Marlborough St.
Riverside, CA 92507

Anheuser-Busch, Inc.
15420 Colbalt St.
Sylmar, CA 91342

Anheuser-Busch, Inc.
5180 Fox St.
Denver, CO 80216

Anheuser-Busch, Inc.
200 U.S. Hwy. 1
Newark, NJ 07101

Anheuser-Busch, Inc. (independently-owned)

Atlanta Beverage
5000 Fulton Industry Blvd.
Atlanta, GA 30318

Ben E. Keith Co.
2404 Canton St.
Dallas, TX 75226

Foothill Beverage Co.
2800 So. Reservoir St.
Pomona, CA 91766

Grey Eagle Distributors
2340 Millpark Dr.
Maryland Heights, MO 63043

Harbor Distributing Corp.
51 Alpha Plaza
Hicksville, NY 11801

National Brands Inc.
11077 Northwest 36 Ave.
Miami, FL 33168

Port Distributing
45-09 Vernon Blvd.
Long Island City, NY 11101

Southwest Distributing Co.
1301 White St.
Houston, TX 77007

Straub Distributing Co.
410 West Grove Ave.
Orange, CA 92665

Union Beer Distributing
1213 Grand St.
Brooklyn, NY 11211

Adolph Coors Co.

Willow Distributors Inc.
2601 Cockrell Ave.
Dallas, TX 75215

G. Heilman Brewing Co.

C & K Distributors Inc.
555 North Tripp Ave.
Chicago, IL 60624

Miller Brewing Co.

Burke Distributing Corp.
89 Teed Dr.
Randolph, MA 02368

Clement & Muller, Inc.
2800 Grant Ave.
Philadelphia, PA 19114

Houston Distributing Co.
2121 Edwards St.
Houston, TX 77007

Sales, census by state

State	No. of companies	Wholesale dollar volume (000)	Estimated barrelage (000)
Alabama	66	$228,500	2,196
Alaska	13	43,250	415
Arizona	66	290,500	2,791
Arkansas	67	137,750	1,325
California	281	2,051,500	19,691
Colorado	60	281,750	2,702
Connecticut	22	203,000	1,949
Delaware	8	55,750	535
Washington, DC	7	58,250	559
Florida	101	997,450	9,575
Georgia	73	384,250	3,688
Hawaii	19	104,750	1,005
Idaho	43	78,750	757
Illinois	238	954,000	9,164
Indiana	152	413,500	3,973
Iowa	105	238,250	2,290
Kansas	69	173,000	1,662
Kentucky	85	244,500	2,350
Louisiana	78	369,250	3,547
Maine	21	88,000	845
Maryland	66	355,000	3,410
Massachusetts	55	501,750	4,815
Michigan	187	721,000	6,928
Minnesota	139	332,250	3,193
Mississippi	64	171,000	1,643
Missouri	117	405,250	3,891
Montana	50	85,000	818
Nebraska	53	140,000	1,344
Nevada	22	104,500	1,003
New Hampshire	20	107,500	1,032
New Jersey	57	548,250	5,260
New Mexico	31	128,500	1,233
New York	180	1,344,750	12,905
North Carolina	98	383,250	3,682
North Dakota	34	59,750	574
Ohio	161	888,750	8,536
Oklahoma	66	220,500	2,119
Oregon	104	208,000	2,001
Pennsylvania	400	1,034,000	9,939
Rhode Island	12	78,500	753
South Carolina	62	230,750	2,218
South Dakota	30	51,750	497
Tennessee	61	310,250	2,980
Texas	344	1,598,250	15,341
Utah	20	81,750	783
Vermont	14	45,500	437
Virginia	99	408,250	3,921
Washington	125	334,000	3,210
West Virginia	75	127,000	1,222
Wisconsin	183	543,500	5,223
Wyoming	35	50,500	485
Total	4,538	$16,994,950	182,472

Source: Beverage Marketing Corp. Copyright: Beverage Marketing Corp., Beverage Industry, September, 1983

AMCO SERVICE...

IT'S AS CLOSE AS YOUR FINGERTIPS.

Simply call us TOLL-FREE for all your bottling equipment replacement parts. Ask for Cindy Frazier or Nelson Resch — our Customer Service Specialists. You can count on their **personal** attention to your order. They'll make it right, accurate and give you a dependable delivery date. **They understand the beverage business!**

Cindy Frazier

Nelson Resch

1-800-643-2510
(Toll-free number outside Arkansas)

AMCO PRODUCTS COMPANY

AMCO PRODUCTS COMPANY
501 S. Phoenix Street
Fort Smith, Arkansas 72901
Phone: 501-646-8949

Circle No. 103 on Reader Service Card

1982 National beer market demographics

Sales range	Number of Wholesalers	Percent of Total	Estimated Wholesale Sales Volume (000)	Percent of Total	Estimated barrelage volume (000)	Percent of Total
$50 Million or more	19	.4	$ 1,045,000	5.5	9,975	5.5
$25 to $50 Million	41	.9	1,537,500	8.0	14,760	8.1
$10 to $25 Million	293	6.5	5,127,500	26.9	49,224	27.0
$5 to $10 Million	486	10.7	3,645,000	19.1	34,992	19.2
$3 to $5 Million	747	16.5	2,988,000	15.7	28,759	15.8
$2 to $3 Million	1,020	22.5	2,550,000	13.4	24,480	13.4
$1 to $2 Million	1,044	23.0	1,566,000	8.2	15,138	8.3
$500,000 to $1 Million	628	13.8	471,000	2.4	4,521	2.5
Less than $500,000	259	5.7	64,750	.3	621	.4
Subtotal—	**4,537**		**$18,994,750**		**182,470**	
Unclassified	1	.0	200	.0	2	.0
Total	**4,538**	**100.0**	**$18,994,950**	**100.0**	**182,472**	**100.0**

Note: Percentage totals may vary due to rounding

Source: Beverage Marketing Corp.

Copyright: Beverage Marketing Corp., Beverage Industry, September 1983

of almost 10 million. Together, these companies represent a mere .42% of the total 4,538 U.S. wholesalers. Each of Bellas, distributes at least 6 million cases and owns approximately 75 trucks.

1,586 control $11b

Adding together all wholesalers with sales of $10 million or more, one finds that 40.59% of the total sales volume is controlled by 7.78% of all the companies. Include with that all companies with sales of $3 million or more, and a clearer picture of the concentration Bellas talks about begins to emerge: 1,586 wholesalers, 34.95% of total, control over $11 billion in sales—roughly 75% of the total U.S. beer market.

While the total number of wholesaler establishments declined by 101 from 1981 to 1982, those establishments with sales of $3 million or more increased by 77 in the same period, the result of either mergers of smaller wholesalers or increased sales that pushed a wholesaler from a lower category to the over-$3 million mark.

Conversely, the number of establishments with under $3 million in sales declined by 188 in 1982 from 1981. Bellas cites two reasons for the severe decline: "If they have a good brand, they're getting bigger. If not, they're dropping out completely. The biggest drop off can be seen in the under-$2 million categories."

Up until the 1982 survey the overall decline in beer wholesalerships had been increasing, reaching an approximate 1.5% rate. This year, for the first time, it's cleared 2%. Bellas attributes this to mergers at the brewery level: "A good example is the Stroh/Schlitz merger," he says. "Stroh has put a big emphasis on combining its (wholesaler) locations since it bought Schlitz. It's asking its smaller locations to get together. . .to create a wholesalership with enough clout to compete with the Miller and Budweiser houses."

Import wholesalers

Although this 2% decline may seem high, Bellas feels it would have been even greater if so many wine and spirits wholesalerships hadn't picked up imported beers. The figures in the 1982 beer survey also include these wholesalers but reflect only that portion of sales that apply to beer. "We probably would have lost another 50 beer wholesalers if it hadn't been for imports. Most of these (wine and spirits) wholesalers, though, are going into the lower sales range categories ($500,000 to $1 million)."

Given the present rate of decline which is expected to accelerate, Bellas predicts that by the end of the decade,

Alvey... Soft Drink Palletizing Specialists

ALVEY PALLETIZERS AT THE COCA-COLA BOTTLING COMPANY OF MIAMI, INC.

Creative Systems Approach

- Custom Tailored Conveying Systems
- Professional Engineering Applications
- Turnkey Project Capabilities
- Service and Training Support

New Application Options

- Floor Level or High Level Infeed
- Hydraulic Piston or Chain Hoist
- Exclusive Diagnostic Package
- Speed Range 20 to 120 cases/minute

ALVEY INC.

U.S.A.: 9301 Olive Blvd. • St. Louis, Missouri 63132 • 314-993-4700 • Telex 44 7277

EUROPE: Kon. Astridlaan 12 • B-2660 Willebroek, Belgium • Tel: 03-8867921

Circle No. 102 on Reader Service Card

Regional beer market demographics

	No. of companies		% of total		Wholesale dollar volume (add 000)		% of total		Estimated barrelage (add 000)		% of total	
	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981
Northeast	862	926	19.0%	20.0%	$ 4,420,250	$ 4,235,250	23.3%	23.1%	42,446	42,276	23.3%	23.1%
East Central	1,081	1,092	23.8	23.5	3,892,250	3,710,250	20.5	20.3	37,404	37,076	20.5	20.3
West Central	547	552	12.0	11.9	1,400,250	1,368,750	7.4	7.5	13,460	13,687	7.4	7.5
South	769	750	16.9	16.2	3,620,700	3,450,000	19.0	18.9	34,784	34,501	19.0	18.9
Southwest	507	519	11.2	11.2	2,237,750	2,129,250	11.7	11.7	21,487	21,267	11.8	11.7
West	230	,228	5.0	4.9	682,250	669,750	3.6	3.7	6,555	6,697	3.6	3.7
Pacific	542	570	11.9	12.3	2,741,500	2,682,000	14.4	14.7	26,326	26,769	14.4	14.7
Total	**4,538**	**4,637**	**100.0**	**100.0**	**$18,994,950**	**$18,245,250**	**100.0**	**100.0**	**182,472**	**182,273**	**100.0**	**100.0**

Note: Percentage totals may vary due to roundings.
Source: Beverage Marketing Corp.

Copyright: Beverage Marketing Corp., Beverage Industry September 1983

there will be 3,600-3,700 beer wholesalers in the U.S. By the end of the century, says Bellas, there may be as few as 3,000. "They will be run by professionals. The era of the small family-run wholesalership is rapidly ending."

In addition to containing national market demographic figures by sales and barrelage size, the 1982 U.S. Beer Wholesaler Survey also contains similar figures by region and state. A detailed appendix to the report provides company names, addresses and phone numbers by state and sales volume.

Although the breakdown by region has been slightly altered from last year to conform with other Beverage Marketing Corp. studies, state-by-state data available from the 1981 study allow comparisons by region to be compiled.

The region showing the most activity in 1982, gaining the largest number of companies, was the South, which showed an increase of 19 firms between 1981-82. Bellas attributes this to geographic expansion by regional brewers into the prosperous Sunbelt markets. Overall, he notes, there has been a decline in the Northern markets.

The only other region to show an increase in the number of firms located within its boundaries is the West, which went from having 228 wholesalers in 1981 to 230 in 1982.

The big loser this year is the Northeast region, experiencing the merging or closing of 84 companies. The Pacific region followed with a decline of 28 firms; the Southwest region was down 12; the East Central, 11; and finally, the West Central showed a decrease of five.

Despite the decline in the East Central region, it still leads the nation with 1,081 wholesalers. The Northeast maintains its position as the leader in wholesale dollar volume and barrelage with $4,420,250,000 in sales and 42,446,000 barrels.

The increase in wholesale dollar volume for the industry, $18,245,250,000 in 1981 to $18,994,950,000 in 1982, represents a growth of 4%. The increase in barrelage from 182,273,000 to 182,472,000 is a mere jump of .1%, indicating the dollar increase is primarily the result of price increases and to a lesser extent the growth of higher priced imports.

For more information, or to purchase the 1982 U.S. Beer Wholesaler Sales Survey, contact Beverage Marketing Corp., 866 Second Ave., New York, NY 10017, or phone, 212/688-7640. □

Regional breakdown

Northeast: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.
East Central: Illinois, Indiana, Kentucky, Michigan, Ohio, West Virginia, Wisconsin.
West Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota.
South: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia.
West: Colorado, Idaho, Montana, Nevada, Utah, Wyoming.
Southwest: Arizona, New Mexico, Oklahoma, Texas.
Pacific: Alaska, California, Hawaii, Oregon, Washington.

U.S. retailers can't keep new Japanese beer in PET on shelf

(Continued from page 30)

Unlike most draft beer, Suntory's pour-ta-keg does not require refrigeration. Suntory avoids pasteurization, which may diminish flavor, using a process called microfiltration, which halts the fermentation process of the beer. So no refrigeration is necessary.

Pour-ta-keg holds nearly as much as a conventional six-pack of 12-oz. cans and has a suggested retail price of $4.99, plus deposit where applicable.

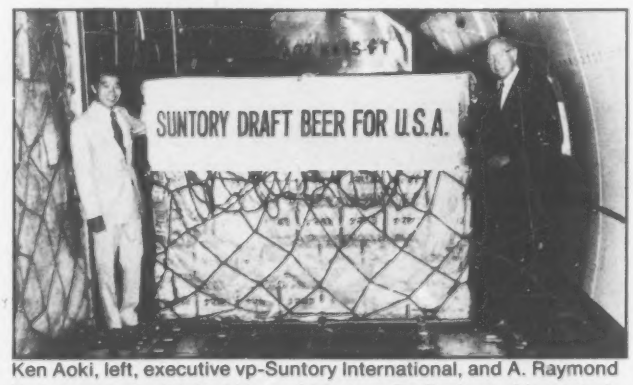
"Most people will try our beer because of our unusual container," said Yuri, "but they will make repeat purchases because of the fresh mild taste, which they can not get in any other packaged import."

In Massachusetts, Suntory Draft is being distributed by United Liquors Ltd. In New York, Mutual Trading Co., Inc., is the distributor. Rand Public Relations is handling the public relations, marketing and promotion and Chiat/Day is responsible for the advertising campaign.

To date, however, there has been practically no advertising campaign. Said a spokesman from Rand, "We'd be creating a demand without enough of a supply."

Suntory Draft is the fastest growing beer in Japan, the company reports, with an 8% market share.

● For more information on **Suntory Ltd.,** circle no. 234 on the reader service card. □



Ken Aoki, left, executive vp-Suntory International, and A. Raymond Tye, president of United Liquor Ltd., proudly display a shipment of Suntory Draft Beer.

9 seconds & 5 cents will stabilize this pallet

WELD-LOC'S ENDRA BEATS STRETCH FILM

WELD LOC

It's simple and fast. The Weld-Loc Endra System is a plastic strapping machine that can help lower your operating costs, strap more pallets per hour and seal the deal with a perfect unitized load, every time. You should be looking at the Endra for:

* Increased output with no labor. The Endra offers in-line, automated, operatorless strapping.
* A money saving alternative to stretch film. The Endra uses economical plastic strapping.
* Horizontal application of strap. The Endra has single or multiple strapping capability.
* Efficient use of space. The Endra occupies less than 4 ft. of conveyor line.

Another 9 seconds to fill out this coupon will get you much more than a nickel's worth of information on the Weld-Loc Endra and the seven year warranty that's available with it.

I'm interested in the Weld-Loc Endra. Please tell me more.
* Send Literature * Have Salesman Call Me.
(Circle One)

NAME..... TITLE.....
COMPANY.....
STREET..... PHONE.....
CITY..... STATE..... ZIP.....

Mail or Call: Weld-Loc Systems, Inc./5985 Richard Street Jacksonville, Florida 32216/904-731-9120

Analysis of gross profit and sales statistics by product—1982, 1981, 1980

	Composition of sales at retail			Average sales per machine		
	1982	1981	1980	1982	1981	1980
Cigarettes	9.4%	11.4%	10.9%	$2,786	$2,800	$2,674
Candy, nuts, gum	7.1	7.9	7.3	3,104	2,975	2,713
Cold cup beverages	6.7	8.3	7.5	4,342	4,605	4,465
Hot cup beverages	8.6	10.6	10.2	3,788	4,093	4,034
Ice cream	.3	.3	.3	1,715	1,456	1,604
Milk	2.2	2.8	2.8	3,201	3,404	3,474
Sandwiches, salads, entrees	4.3	5.0	4.9	3,968	4,212	4,178
Pastry and snacks	6.8	8.0	7.0	3,441	3,417	3,228
Hot canned soups & food	.6	.9	1.1	1,457	1,693	1,849
Bottled and canned drinks	6.0	6.2	5.4	5,551	5,566	5,350
Misc. vending machine products	3.4	3.8	3.0	—	—	—
Total or averages for above	55.4%	65.2%	60.4%	$3,607	$3,688	$3,502
Sales other than through machines	44.6	34.8	39.6			
Total sales	100.0%	100.0%	100.0%			

Source: NAMA

Copyright: Beverage Industry September, 1983

Profit analysis for 1982

(based on reported sales volume categories)

	Less Than $750,000	$750,000 to $1,999,999	$2,000,000 to $9,999,999	$10,000,000 or more
Sales at retail	100.0%	100.0%	100.0%	100.0%
Cost of sales	49.9	47.5	49.1	43.1
Total operating expenses	47.7	50.9	49.3	55.1
Operating Profit	2.4	1.6	1.6	1.8
Less interest expense	2.0	1.1	1.4	.3
Other income or charges (net)	1.7	1.7	1.0	1.6
Profit before income taxes	2.1%	2.2%	1.2%	3.1%

Source: NAMA

Copyright: Beverage Industry, September, 1983

Will your fleet
LAST LONGER
with PROPANE ENGINE FUEL?

SEE US.
The propane carburetion people.™
Write to Eldon Engel, Director of Propane Carburetion, Northern Propane Gas Company, 2223 Dodge Street, Omaha, Nebraska 68102
Or call toll-free.
1-800-228-0031
(In Nebraska, call collect, 402-633-5414.)
Northern Propane Gas Company
© 1983 Northern Propane Gas Company

Circle No. 148 on Reader Service Card

'82 vendor shipments decline 3% in recession

(Continued from page 4)

According to the Commerce Dept. report released in June, canned beverage (refrigerated) vendors shipped in 1982 totaled 166,912, an approximate 3,550 drop from 1981's shipments of 170,463. The 1982 can vendor total also includes bottle machines as well since the majority of vendors shipped were convertible, says Walter Reed, director of public relations with the National Automatic Merchandising Association (NAMA).

Figures for cup (postmix) machines were not made available in the Commerce report; package milk and juice (indoor) figures were down by 1,879 units in 1982 with a 1,387 total shipment; in the hot beverage segment, freeze-dried or liquid concentrate machines were down approximately 950 units from 1981 while fresh brew, coffee and combinations were down significantly—6,186 units in 1982 compared to 1981's 8,359 total, according to the Commerce report.

Coinco's Douglass feels, however, that only the can vendor market will rise this year and perhaps won't look as bleak as in previous years.

"Cans will probably go up to about 170,000 or 175,000-plus units," he estimates.

Another coin changer company experienced a good year, according to its marketing director. "In a marketplace where vending machine shipments are down, Mars Money Systems showed an increase over the previous year," says Art Karreff, marketing director. "We were pleased with our market share gains."

Subsequently, no major trends have been set, and most industry sources have said vending shipments will probably be stagnant for the next few years—no major growths or losses. As one major manufacturer put it, "Vending shipments will probably just follow along with the rest of the economy."

● For more information on **Coin Acceptors,** circle no. 240 on reader service card; for **Mars Money Systems,** circle no. 241. □

New HFCS facility adds 600 million lbs. capacity

(Continued from page 53)

will provide steam used in the milling process and most of the electricity to power the corn plant.

Major factors in Cargill's decision to locate its corn milling plant in Eddyville "were the ability to use the power plant for generating both steam and electricity, good access to midwestern and western product markets via rail and truck, and ample local corn and coal supplies," says Micek.

Micek says about 250 workers will be employed in the construction of the plant and that 80 to 100 new employees will be required to operate it. Support for the plant, such as rail and truck service to transport corn and coal inbound and products outbound to midwestern and western markets, is expected to provide additional jobs, he adds.

Cargill currently has corn wet milling plants in Cedar Rapids, IA, Dayton, OH and Memphis, TN, but only the Dayton and Memphis plants produce HFCS in addition to other sweeteners and starches. The new Eddyville facility with its high fructose capability will complement the Dayton and Memphis plants and help Cargill serve markets more effectively in the midwest and west of the Mississippi, Micek says.

Another reason Cargill decided to build another plant was because of what he terms "a growing demand for high fructose as an alternative sweetener replacing sugar in a variety of foods and beverages, especially soft drinks."

He cites as recent examples of the industry's confidence in HFCS Coca-Cola's approval of 75% replacement levels in its fountain syrups and PepsiCo's approval of 50% levels in all Pepsi beverages. □

Miller sponsors sweepstakes

MILWAUKEE—Miller Brewing Co., here, is sponsoring sports-related sweepstakes for its Miller High Life and Lite beer brands.

A $10 million sweepstakes, largest in Miller's history, ran May 2 through June 17 and featured a $100,000 grand prize; five, $10,000 first prizes; and 25, $1,000 second prizes. In addition, the grand and first prize winners won an expense paid trip for two to the United States Football League championship game July 17.

A team of Lite All-Stars will visit a hometown in the U.S. and play softball with the winner of a Lite softball sweepstakes which runs from June 1 to September 30. □